# Community Technology Advisory Board City of Seattle

August 16, 2015

Mr. Tom Wheeler Chairman Federal Communications Commission 445 12th Street SW Washington, DC 20554

Re: Lifeline and Link Up Reform and Modernization, WC Docket No. 11-42, Telecommunications Carriers Eligible for Universal Service Support, WC Docket No. 09-197, Connect America Fund, WC Docket No. 10-90

Dear Mr. Wheeler,

On behalf of the City of Seattle Community Technology Advisory Board, we respectfully submit the following comments in response to the Federal Communications Commission's Public Notice: Lifeline and Link Up Reform and Modernization (WC Docket No. 11-42), which seeks focused comment on the expansion of the Lifeline program to include broadband access. We endorse the proposed modernization with conditions and submit recommendations for implementation, explained in further detail later in the document.

The City of Seattle Community Technology Advisory Board (CTAB) is a volunteer board comprised of 10 members appointed by the Mayor or City Council. CTAB makes recommendations to the Seattle Mayor and the City Council on issues of community interest relating to information and communications technology. CTAB encourages and promotes affordable access to and use of information and communications technology, and promotes and advises effective electronic civic engagement and e-government services.

### Summary

CTAB feels that having affordable access to *both* broadband and telephone communication means is essential for low income residents to equitably participate in 21st century society.

Therefore, we support the Federal Communication Commission's (FCC) modernization of the Lifeline program to make 21st century broadband available for low income households *as long as Lifeline broadband is available to participants in the Lifeline phone programs and vice-versa.* 

If only one Lifeline subsidy is made available per household (either broadband, cell phone, or landline phone) as currently proposed in the Lifeline modernization (paragraph #8), we would oppose the FCC's proposed modernization of Lifeline because this clause could lead to the disconnection of millions of households who are currently receiving both Lifeline telephone assistance and subsidized Internet service (such as Centurylink Internet Basics or Comcast Internet Essentials). *See recommendation #1 for details*.

#### Recommendations

We support the Lifeline modernization with the following recommendations:

- 1. The 'one-per-household' rule (paragraph #8), must be changed, and replaced with the following:
  - a. One Lifeline Broadband subsidy per household
  - b. One Lifeline phone subsidy (either cell phone or landline) per adult in the household
    - i. It is unreasonable to expect two or more adults who live together (such as couples, two-parent households, roommates, and multigenerational families) to share one phone line. In today's job market, it is necessary to have one's own phone number (typically a cell phone as it adds employment mobility and safety). Expecting low income households with two or more persons to share a single phone number is holding them back from job opportunities that could help them escape poverty.

Lifeline Broadband must be made separately available from the Lifeline phone programs, and the millions of current Lifeline phone customers must be eligible to participate in Lifeline Broadband without losing their Lifeline phone subsidy and vice-versa.

To fully participate in society and the economy, low income individuals and families need broadband Internet for education/information, schooling, employment, and various application and purchasing purposes. Additionally, low income individuals and families need phone service for family and parenting responsibilities, healthcare, and safety.

To be without one or the other because one is low income is to be secluded from the enriching and sustaining elements of our 21<sup>st</sup> century society--a social and personal cost that is as damaging to society in general as it is to the low income segment. As the express purpose for updating the Lifeline subsidy is to modernize the program it should reflect societal changes in phone and Internet usage.

- 2. Many low income Internet and phone plans have been criticized widely for the small print contractual clauses in their user agreements that end up deterring or preventing low income users from applying, qualifying, continuing with, or benefiting fully from these programs. One interpretation is that these clauses reflect the provider's wish to widely limit the program's usage and/or costs (re: chapter 2: 'Minimum Service Standards for Broadband'). The elements that CTAB recommends eliminating are:
  - a. Broadband Connection Charge Reimbursement (Section 54): Provider's promo inducements often waive connection fees. As Lifeline is trying to promote social and economic equity via program adoption, broadband customers should similarly not be charged connection fees either.
  - b. Modems/routers ('Consumer Premise Equipment', Sect 46') should be made freely available to Lifeline Broadband customers for as long as they are eligible for the program and not be a hidden and deterring additional cost.
  - c. Contracts: Lifeline Broadband customers should not be required to sign a 1-year contract to participate in Lifeline Broadband. For a sector experiencing a problematic existence, the service should always be flexible from month to month, and no fees should be charged for unsubscribing from the program. A mandatory yearly requalification would be an appropriate substitution.
  - d. Service Rates: the service rate should be fixed for as long as the customer is eligible for the program, and not increased after one year (as is currently the case with CenturyLink Internet Basics). Increasing costs are increasing burdens to the low income user.
  - e. Applicants for Lifeline should not be denied coverage because of past debt to an Internet service provider, and all past debt to telecom companies that is more than one year old should be forgiven for Lifeline eligible customers (similar to Comcast Internet Essentials' debt amnesty program).
- 3. We have found that most of the Lifeline phone programs offer a level of service that is significantly below the modern standards required to succeed in today's economy. Additionally, there is little consistency between the services offered by the numerous Lifeline phone companies. Therefore we recommend that FCC set the following 'minimum standards for voice' (Chapter 1, paragraph. 16) that should apply to all Lifeline phone programs:
  - a. Voicemail should be included free in all plans (currently Lifeline landlines do not allow for voicemail service)
  - b. Call waiting should be included free in all plans (currently Lifeline landlines do not allow for call waiting service)
  - c. Nationwide long distance should be included in all plans (currently some Lifeline cell phones and all Lifeline landlines do not allow for US long distance service)

- d. Text messaging (at least 250 per month) should be included in all lifeline cell phone plans (currently some do and some do not include texting)
- e. Low cost data plans (\$10/per month 1GB of 4G and unlimited 3G Internet) and low-cost (refurbished) smartphones (\$20) should be available to all Lifeline cell phones
- f. The number of free cell phone minutes available should be increased to 500 (from the current industry standard of 250)
- g. Extra minute plans should not charge more than 2 cents per additional minute (they are currently varied)
- h. Lifeline eligible customers should be able to leave their existing phone contracts without penalty in order to switch to a Lifeline phone program
- 4. In order to encourage providers to participate wholeheartedly in the modernized Lifeline program, we suggest that the USAC/FCC Lifeline program proactively broker public/private partnerships between providers and local social service nonprofits whereby the ill suited burden of program eligibility screening, outreach, and first level support for low income program applicants and users is removed from the providers and given to experienced local social service nonprofits.

Telecom and Internet service providers, due to the nature of their business structure (points of presence, staffing, and training), are structurally ill suited for serving the low income sector. Determining low income program eligibility and providing appropriate staffing, training, and troubleshooting service for low income users with varying levels of technical proficiency are their biggest business problems and expenses with low income programs. It is our understanding that this is one reason for providers' widespread reticence to fully embrace low income programs.

Therefore, we recommend the FCC investigate using the modernized Lifeline program to actively incentivize and broker a working collaboration whereby the providers supply the broadband, telephone, cellular services, and associated hardware, and a network of local nonprofits provide the eligibility screening, first level of outreach, training, and troubleshooting for low income program applicants and users.

In this way, the providers and nonprofits can each do what they do best and most efficiently. The efficiency gained from the collaboration should make progress toward funding the collaboration itself.

An entity must incentivize and broker such a network of collaborative relationships. CTAB recommends the USAC/FCC Lifeline program act as the logical agent.

5. As discussed in paragraphs 92-110, we are in favor of integrating the Lifeline application/recertification process with other federal and state social agencies and simplifying the application process by means of the Lifeline Card or PIN (Section 104) or by using a network of regional third party nonprofits (as mentioned in section 4 of this document) that can also perform a local point of presence, outreach, and first level support role.

We support there being as many ways to qualify for Lifeline as possible as mentioned in paragraphs 113-115, including 135% Federal poverty level income (paragraph 114), receiving any form of federal or state welfare benefits including Medicaid (paragraph 113), veterans benefits (paragraph 115), food stamps (footnote 234), all the current qualifying programs such as: Federal Public Housing Assistance (FPHA) or Section 8, Supplemental Security Income (SSI), National School Lunch Program's Free Lunch Program, Medicaid, Low Income Home Energy Assistance Program (LIHEAP), Temporary Assistance for Needy Families (TANF), and Supplemental Nutrition Assistance Program (SNAP), formerly Food Stamps and Tribal assistance programs.

Accepting such options as low income qualification for Lifeline services greatly reduces the burden of the registration process for all parties.

We realize as the number of certifying qualifications is increased, the numbers of qualifying people will increase as will the burden on Lifeline funding.

As a committee, we believe this is where meaningful impact can be made. If the Lifeline program strives to make a meaningful difference, then beyond making Lifeline's process simpler and more efficient, the maximum number of qualified low income people should be enrolled to achieve the maximum benefit for them and for society.

- 6. The Lifeline Broadband subsidy should support the FCC definition of broadband, with speeds of at least 25 mbps download and 4 mbps upload ('minimum service levels' for broadband', paragraphs 35-36, 43-44).
  - a. Currently, many broadband providers offer low income subscribers discounted rates at speeds as slow as 1.5 mbps down, restricting their access to a level making it impossible to use many essential online tools and services, especially for a family.
  - b. Low income subscribers provided access to broadband should, by definition, receive the minimum speeds as defined by the FCC.
  - c. The FCC has an opportunity to encourage telecoms to provide the minimum speeds by ensuring compliance to receive the Lifeline subsidy.

## Conclusion

CTAB applauds Chairman Wheeler and the FCC for the proposed modernization of the Lifeline program to make 21st century broadband and phone services affordable for low income households. CTAB urges the FCC to adopt our recommendations. We value the continued commitment of the FCC to low income residents. Thank you for your consideration.

Sincerely,

# City of Seattle Community Technology Advisory Board (CTAB) Members:

Nourisha Wells, Chair Joneil Sampana, Vice-Chair Amy Hirotaka, Member Ben Krokower, Member Beryl Fernandes, Member Carmen Rahm, Member Karia Wong, Member Sarah Trowbridge, Member